

MBM153-024

31 October, 2012

Frasers Broadway Pty Ltd
Suite 11, Lumiere Commercial
Level 12, 101 Bathurst Street
Sydney, NSW 2000



MBM Pty Ltd
12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
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Attention: Anthony Green

Dear Anthony,

**Re: Kensington Street Precinct - Block 3A
Capital Investment Value**

Further to your request we wish to confirm our current estimated Capital Investment Value (CIV) for the construction of the Hotel Development located at corner of Kensington Lane and Broadway Street, Broadway, based on the current Development Application to be **\$19,651,047 excluding GST**. A copy of the Estimated Cost is attached for reference.

The Capital Investment Value has been calculated in accordance with the definition contained in the State Environmental Planning Policy Amendment (Capital Investment Value) 2010 states as:

"Capital Investment Value of a development or project includes all costs necessary to establish and operate the project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment, other than [a] amounts payable, or the cost of land dedicated or any other benefit provided, under a condition imposed under Division 6 or 6A or Part 4 of the Environmental Planning and Assessment Act or a planning agreement under that Division [b] costs relating to any part of the development or project that is the subject of a separate development consent or project approval [c] land costs (including any costs of marketing and selling land) [d] GST (as defined by A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth)

We stress that our Estimated Cost is based on Functional Areas of the development which differs from the Gross Floor Areas that are noted within the Application.

Should you have any queries please do not hesitate to contact the undersigned.

Yours faithfully
MBMpl Pty Ltd

Ian Berson
Director
cc

Director

Director

Director

Director

Director

Director

Director

Full Estimate Summary

Job Name :	<u>MBM153-024CP1 4</u>	Job Description
Client's Name:	<u>Tonkin Zulaikha Greer Architec</u>	MBM153-024
		Kensington Lane Hotel
		Preliminary Cost Plan 1 - revised 22.10.2012

Trd No.	Trade Description	Trade %	Cost/m2	Sub Total	Mark Up %	Trade Total
GFA: 6,380 m2.		100.00	3,080.10	19,651,046		19,651,047

Final Total : \$	19,651,047
G.S.T. 10.00% :	1,965,104
Final Total Incl. G.S.T. : \$	21,616,151